

MONTANA

Department of Commerce

HOUSING DIVISION – HOME PROGRAM

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TO: Persons Interested in the HOME Program

FROM: Ethan Stapp, Program Manager
HOME Investment Partnerships Program

DATE: February 22, 2007



SUBJECT: Applications for FFY 2007 Competitive HOME Funds

The application deadline for FFY 2007 HOME grants for multifamily and single-family development projects was February 16, 2007. Local governments and Community Housing Development Organizations were eligible applicants. The Montana Department of Commerce received eight applications requesting \$3,338,051 in HOME funds. MDOC has approximately \$2 million to grant. The eight proposed projects would leverage a variety of other sources of funds for total project costs of \$23,454,457. A summary of each application follows. Grant awards will be announced no later than April 27, 2007.

<u>Applicant</u>	<u>HOME Funds Requested</u>	<u>Project Budget</u>
Action for Eastern Montana Makoshika Estates, Glendive	\$300,000	\$2,278,045

Action for Eastern Montana is sponsoring a grant application for the construction of Makoshika Estates, an 18 unit independent living senior apartment project in Glendive. The Dawson County Economic Development Council will act as the developer for this project. The facility will have 12 one-bedroom apartments and 6 two-bedroom apartments and serve seniors 55 years of age or older with incomes at or below 50 and 60 percent of the area median income. The applicant proposes to include a variety of Energy Star-compliant building components and green building construction materials.

Sanders County Hillside Apartments, Plains	\$113,251	\$405,663
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Sanders County is sponsoring a grant application on behalf of the Sanders County Economic Development Council to acquire the Hillside Apartments in Plains, an existing 9-unit apartment complex with eight 2-bedroom units and one 1-bedroom unit for residents with incomes at or below 80% of area median income. HOME funds are requested to provide "gap financing" for acquisition of this apartment complex to allow the project to remain affordable to residents.

City of Whitefish Home Acquisition, Whitefish	\$500,000	\$2,709,150
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The city, in partnership with the Whitefish Housing Authority, proposes to use HOME funds for acquisition of 10 existing and soon-to-be constructed homes in Whitefish for subsequent purchase by residents with incomes at or below 80% of the area median income. All homes are being acquired at prices ranging from \$160,000 to \$250,000, and will be sold to participating homebuyers at an affordable price. A resale restriction will ensure a fair return to a participating homebuyer at the time he/she sells the home, while ensuring the purchase price is affordable to the successive low-income homebuyer.

<u>Applicant</u>	<u>HOME Funds Requested</u>	<u>Project Budget</u>
Rocky Mountain Development Council Eagles Manor II Renovation Project, Helena	\$500,000	\$6,369,640

RMDC proposes to acquire, reconstruct, and rehabilitate 43 Helena apartment units for low-income seniors and/or persons with disabilities (40 1-bedroom units and 3 efficiencies) in the existing Eagles Manor II facility in Helena. The renovation is necessary to address numerous life/safety deficiencies in the 1976 building, including an inadequate fire safety system, asbestos in the building, physical accessibility for persons with disabilities, and energy conservation improvements. As part of the renovation, the applicant proposes to construct 21 units to meet 504 accessibility requirements.

City of Lewistown Ouellette Place, Lewistown	\$500,000	\$3,652,599
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The City of Lewistown is proposing the new construction of two buildings and the redevelopment/renovation of an existing historic building into a 24-unit affordable rental housing facility for low-income families. The facility will provide 1, 2 or 3 bedrooms with appliances, decks or patios, and outdoor common space for resident use.

Montana HomeOwnership Network Mountain Springs Villa, Red Lodge	\$500,000	\$2,622,500
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MHN is sponsoring an application to acquire, rehabilitate and upgrade an existing mobile home park in Red Lodge to maintain it as a source of affordable housing. The 5 acre park will contain 30 homeowner units, and will be owned cooperatively by a nonprofit homeowner association. Residents will each have a 75-year lease on their lot, allowing residents to secure conventional financing to acquire new manufactured housing to replace their aging, inefficient units if necessary. Units will be placed on permanent foundations, thus converting the homeowner housing from personal to real property.

Eastern Montana Association of Affordable Housing Self-Help Housing, Yellowstone and Custer Counties	\$424,800	\$3,944,128
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EMAAH proposes a Mutual Self-Help program to construct 24 3- or 4-bedroom homebuyer units, with 17 homes in Yellowstone County and 7 homes in Custer County. The new homeowners will provide 1,200 hours of sweat equity (approximately 65% of the labor costs) under qualified supervision. The estimated sale price for each home is \$123,000. HOME funds will provide a maximum \$15,000 in down payment and closing cost assistance to each homebuyer to cover any financing gap at closing. Mortgage financing will be provided by USDA Rural Development's 502 Loan Program. All families receiving HOME assistance will be first-time homebuyers and have annual incomes at or below 80% of the area median income.

Park County Senior Center Apartment Rehabilitation Project, Livingston	\$500,000	\$1,472,732
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Park County is seeking funding to rehabilitate 24 senior residential apartments located on the second and third floors of the Senior Center in Livingston. The applicant proposes to correct several life/safety issues in the housing of this 1910 building, such as the sprinkler system, fire/smoke alarm upgrades, emergency exit lighting system, structural issues, asbestos removal, upgrades to HVAC, plumbing, electrical, and elevator, physical accessibility, and needed energy improvements. All residents have incomes at 50% or less of area median income.